

## SENATE BILL NO. 188

INTRODUCED BY COCCHIARELLA

A BILL FOR AN ACT ENTITLED: "AN ACT DISTINGUISHING CLAIMS ADJUSTERS UNDER THE MONTANA INSURANCE CODE FROM CLAIMS EXAMINERS UNDER THE WORKERS' COMPENSATION AND OCCUPATIONAL DISEASE ACTS; EXEMPTING CLAIMS EXAMINERS FROM THE LICENSURE REQUIREMENTS OF TITLE 33; DEFINING "CLAIMS EXAMINER" FOR PURPOSES OF THE WORKERS' COMPENSATION AND OCCUPATIONAL DISEASE ACTS; AMENDING SECTIONS 33-17-102, 39-71-107, 39-71-116, 39-71-225, 39-71-307, AND 39-72-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 33-17-102, MCA, is amended to read:

**"33-17-102. Definitions.** As used in this title, the following definitions apply:

(1) (a) "Adjuster" means a person who, on behalf of the insurer, for compensation as an independent contractor or as the employee of an independent contractor or for a fee or commission investigates and negotiates the settlement of claims arising under insurance contracts or otherwise acts on behalf of the insurer.

(b) The term does not include a:

(i) licensed attorney who is qualified to practice law in this state;

(ii) salaried employee of an insurer or of a managing general agent;

(iii) licensed insurance producer who adjusts or assists in adjustment of losses arising under policies issued by the insurer; ~~or~~

(iv) licensed third-party administrator who adjusts or assists in adjustment of losses arising under policies issued by the insurer; or

(v) claims examiner as defined in 39-71-116.

(2) "Adjuster license" means a document issued by the commissioner that authorizes a person to act as an adjuster.

(3) (a) "Administrator" means a person who collects charges or premiums from residents of this state in connection with life, disability, property, or casualty insurance or annuities or who adjusts or settles claims on

1 these coverages.

2 (b) The term does not include:

3 (i) an employer on behalf of its employees or on behalf of the employees of one or more subsidiaries  
4 of affiliated corporations of the employer;

5 (ii) a union on behalf of its members;

6 (iii) (A) an insurer that is either authorized in this state or acting as an insurer with respect to a policy  
7 lawfully issued and delivered by it in and pursuant to the laws of a state in which the insurer is authorized to  
8 transact insurance; or

9 (B) a health service corporation as defined in 33-30-101;

10 (iv) a life, disability, property, or casualty insurance producer who is licensed in this state and whose  
11 activities are limited exclusively to the sale of insurance;

12 (v) a creditor on behalf of its debtors with respect to insurance covering a debt between the creditor and  
13 its debtors;

14 (vi) a trust established in conformity with 29 U.S.C. 186 or the trustees, agents, and employees of the  
15 trust;

16 (vii) a trust exempt from taxation under section 501(a) of the Internal Revenue Code or the trustees and  
17 employees of the trust;

18 (viii) a custodian acting pursuant to a custodian account that meets the requirements of section 401(f)  
19 of the Internal Revenue Code or the agents and employees of the custodian;

20 (ix) a bank, credit union, or other financial institution that is subject to supervision or examination by  
21 federal or state banking authorities;

22 (x) a company that issues credit cards and that advances for and collects premiums or charges from  
23 its credit card holders who have authorized it to do so, if the company does not adjust or settle claims;

24 (xi) a person who adjusts or settles claims in the normal course of the person's practice or employment  
25 as an attorney and who does not collect charges or premiums in connection with life or disability insurance or  
26 annuities; or

27 (xii) a person appointed as a managing general agent in this state whose activities are limited exclusively  
28 to those described in 33-2-1501(10) and Title 33, chapter 2, part 16.

29 (4) "Administrator license" means a document issued by the commissioner that authorizes a person to  
30 act as an administrator.

1 (5) (a) "Business entity" means a corporation, association, partnership, limited liability company, limited  
2 liability partnership, or other legal entity.

3 (b) The term does not include an individual.

4 (6) "Consultant" means a person who for a fee examines, appraises, reviews, or evaluates an insurance  
5 policy, annuity, or pension contract, plan, or program or who makes recommendations or gives advice on an  
6 insurance policy, annuity, or pension contract, plan, or program.

7 (7) "Consultant license" means a document issued by the commissioner that authorizes a person to act  
8 as an insurance consultant.

9 (8) "Individual" means a natural person.

10 (9) "Insurance producer", except as provided in 33-17-103, means a person required to be licensed  
11 under the laws of this state to sell, solicit, or negotiate insurance.

12 (10) "Lapse" means the expiration of the license for failure to renew by the biennial renewal date.

13 (11) "License" means a document issued by the commissioner that authorizes a person to act as an  
14 insurance producer for the lines of authority specified in the document. The license itself does not create actual,  
15 apparent, or inherent authority in the holder to represent or commit an insurer to a binding agreement.

16 (12) "Limited line credit insurance" includes credit life insurance, credit disability insurance, credit  
17 property insurance, credit unemployment insurance, involuntary unemployment insurance, mortgage life  
18 insurance, mortgage guaranty insurance, mortgage disability insurance, gap insurance, and any other form of  
19 insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing the  
20 credit obligation and that the commissioner determines should be designated as a form of limited line credit  
21 insurance.

22 (13) "Limited line credit insurance producer" means a person who sells, solicits, or negotiates one or  
23 more forms of limited line credit insurance coverage to individuals through a master, corporate, group, or  
24 individual policy.

25 (14) "Limited lines insurance" means those lines of insurance that the commissioner finds necessary  
26 to recognize for the purposes of complying with 33-17-401(3).

27 (15) "Limited lines producer" means a person authorized by the commissioner to sell, solicit, or negotiate  
28 limited lines insurance.

29 (16) "Lines of authority" means any kind of insurance as defined in Title 33.

30 (17) "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or

prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract if the person engaged in negotiation either sells insurance or obtains insurance from insurers for purchasers.

(18) "Person" means an individual or a business entity.

(19) "Public adjuster" means an adjuster employed by and representing the interests of the insured.

(20) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.

(21) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance.

(22) "Suspend" means to bar the use of a person's license for a period of time.

(23) "Uniform application" means the national association of insurance commissioners' uniform application for resident and nonresident insurance producer licensing.

(24) "Uniform business entity application" means the national association of insurance commissioners uniform business entity application for resident and nonresident business entities."

**Section 2.** Section 39-71-107, MCA, is amended to read:

**"39-71-107. Insurers to act promptly on claims -- in-state ~~adjusters~~ claims examiners.** (1) Pursuant to the public policy stated in 39-71-105, prompt claims handling practices are necessary to provide appropriate service to injured workers, to employers, and to providers who are the customers of the workers' compensation system.

(2) All workers' compensation and occupational disease claims filed pursuant to the Workers' Compensation Act and the Occupational Disease Act of Montana must be ~~adjusted~~ examined by a ~~person~~ claims examiner in Montana. For a claim to be considered as ~~adjusted~~ examined by a ~~person~~ claims examiner in Montana, the ~~person adjusting~~ claims examiner examining the claim is required to determine the entitlement to benefits, authorize payment of all benefits due, manage the claim, have authority to settle the claim, maintain an office located in Montana, and ~~adjust~~ examine Montana claims from that office. Use of a mailbox or maildrop in Montana does not constitute maintaining an office in Montana.

(3) An insurer shall maintain the documents related to each claim filed with the insurer under the Workers' Compensation Act and the Occupational Disease Act of Montana at the Montana office of the ~~person~~ adjusting claims examiner examining the claim in Montana until the claim is settled. The documents may be

1 either original documents or duplicates of the original documents and must be maintained in a manner that  
2 allows the documents to be retrieved from that office and copied at the request of the claimant or the  
3 department. Settled claim files stored outside of the ~~adjuster's~~ claims examiner's office must be made available  
4 within 48 hours of a request for the file. Electronic or optically imaged documents are permitted.

5 (4) An insurer shall provide to the claimant:

6 (a) a written statement of the reasons that a claim is being denied at the time of denial;

7 (b) whenever benefits requested by a claimant are denied, a written explanation of how the claimant  
8 may appeal an insurer's decision; and

9 (c) a written explanation of the amount of wage loss benefits being paid to the claimant, along with an  
10 explanation of the calculation used to compute those benefits. The explanation must be sent within 7 days of  
11 the initial payment of the benefit.

12 (5) An insurer shall:

13 (a) begin making payments that are due on a claim within 14 days of acceptance of the claim, unless  
14 the insurer promptly notifies the claimant that the insurer needs additional information in order to begin paying  
15 benefits and specifies the information needed; and

16 (b) pay settlements within 30 days of the date the department issues an order approving the settlement.

17 (6) An insurer may not make payments pursuant to 39-71-608 or any other reservation of rights for more  
18 than 90 days without:

19 (a) written consent of the claimant; or

20 (b) approval of the department.

21 (7) The department may adopt rules to implement this section.

22 (8) For purposes of this section, "settled claim" means a department-approved or court-ordered  
23 compromise of benefits between a claimant and an insurer or a claim that was paid in full. The term does not  
24 include a claim in which there has been only a lump-sum advance of benefits."

25  
26 **Section 3.** Section 39-71-116, MCA, is amended to read:

27 **"39-71-116. Definitions.** Unless the context otherwise requires, in this chapter, the following definitions  
28 apply:

29 (1) "Actual wage loss" means that the wages that a worker earns or is qualified to earn after the worker  
30 reaches maximum healing are less than the actual wages the worker received at the time of the injury.

(2) "Administer and pay" includes all actions by the state fund under the Workers' Compensation Act and the Occupational Disease Act of Montana necessary to:

- (a) investigation, review, and settlement of claims;
- (b) payment of benefits;
- (c) setting of reserves;
- (d) furnishing of services and facilities; and
- (e) use of actuarial, audit, accounting, vocational rehabilitation, and legal services.

(3) "Aid or sustenance" means a public or private subsidy made to provide a means of support, maintenance, or subsistence for the recipient.

(4) "Average weekly wage" means the mean weekly earnings of all employees under covered employment, as defined and established annually by the department. It is established at the nearest whole dollar number and must be adopted by the department before July 1 of each year.

(5) "Beneficiary" means:

- (a) a surviving spouse living with or legally entitled to be supported by the deceased at the time of injury;
- (b) an unmarried child under 18 years of age;
- (c) an unmarried child under 22 years of age who is a full-time student in an accredited school or is enrolled in an accredited apprenticeship program;
- (d) an invalid child over 18 years of age who is dependent, as defined in 26 U.S.C. 152, upon the decedent for support at the time of injury;
- (e) a parent who is dependent, as defined in 26 U.S.C. 152, upon the decedent for support at the time of the injury if a beneficiary, as defined in subsections (5)(a) through (5)(d), does not exist; and
- (f) a brother or sister under 18 years of age if dependent, as defined in 26 U.S.C. 152, upon the decedent for support at the time of the injury but only until the age of 18 years and only when a beneficiary, as defined in subsections (5)(a) through (5)(e), does not exist.

(6) "Business partner" means the community, governmental entity, or business organization that provides the premises for work-based learning activities for students.

(7) "Casual employment" means employment not in the usual course of the trade, business, profession, or occupation of the employer.

(8) "Child" includes a posthumous child, a dependent stepchild, and a child legally adopted prior to the injury.

(9) (a) "Claims examiner" means an individual who, as a paid employee of the ~~state of Montana~~ DEPARTMENT, OF A PLAN 1, 2, OR 3 INSURER, or of an administrator licensed under Title 33, chapter 17, examines claims under chapters 71 and 72 to:

(i) determine liability;

(ii) apply the requirements of this title;

(iii) settle workers' compensation or occupational disease claims; or

(iv) determine survivor benefits.

(b) The term does not include an adjuster as defined in 33-17-102.

~~(9)~~(10) (a) "Construction industry" means the major group of general contractors and operative builders, heavy construction (other than building construction) contractors, and special trade contractors listed in major group 23 in the North American Industry Classification System Manual.

(b) The term does not include office workers, design professionals, salespersons, estimators, or any other related employment that is not directly involved on a regular basis in the provision of physical labor at a construction or renovation site.

~~(10)~~(11) "Days" means calendar days, unless otherwise specified.

~~(11)~~(12) "Department" means the department of labor and industry.

~~(12)~~(13) "Fiscal year" means the period of time between July 1 and the succeeding June 30.

~~(13)~~(14) (a) "Household or domestic employment" means employment of persons other than members of the household for the purpose of tending to the aid and comfort of the employer or members of the employer's family, including but not limited to housecleaning and yard work, ~~but~~

(b) The term does not include employment beyond the scope of normal household or domestic duties, such as home health care or domiciliary care.

~~(14)~~(15) "Insurer" means an employer bound by compensation plan No. 1, an insurance company transacting business under compensation plan No. 2, or the state fund under compensation plan No. 3.

~~(15)~~(16) "Invalid" means one who is physically or mentally incapacitated.

~~(16)~~(17) "Limited liability company" is as defined in 35-8-102.

~~(17)~~(18) "Maintenance care" means treatment designed to provide the optimum state of health while minimizing recurrence of the clinical status.

~~(18)~~(19) "Medical stability", "maximum healing", or "maximum medical healing" means a point in the healing process when further material improvement would not be reasonably expected from primary medical

1 treatment.

2 ~~(19)~~(20) "Objective medical findings" means medical evidence, including range of motion, atrophy,  
3 muscle strength, muscle spasm, or other diagnostic evidence, substantiated by clinical findings.

4 ~~(20)~~(21) "Order" means any decision, rule, direction, requirement, or standard of the department or any  
5 other determination arrived at or decision made by the department.

6 ~~(21)~~(22) "Palliative care" means treatment designed to reduce or ease symptoms without curing the  
7 underlying cause of the symptoms.

8 ~~(22)~~(23) "Payroll", "annual payroll", or "annual payroll for the preceding year" means the average annual  
9 payroll of the employer for the preceding calendar year or, if the employer has not operated a sufficient or any  
10 length of time during the calendar year, 12 times the average monthly payroll for the current year. However, an  
11 estimate may be made by the department for any employer starting in business if average payrolls are not  
12 available. This estimate must be adjusted by additional payment by the employer or refund by the department,  
13 as the case may actually be, on December 31 of the current year. An employer's payroll must be computed by  
14 calculating all wages, as defined in 39-71-123, that are paid by an employer.

15 ~~(23)~~(24) "Permanent partial disability" means a physical condition in which a worker, after reaching  
16 maximum medical healing:

17 (a) has a permanent impairment established by objective medical findings;

18 (b) is able to return to work in some capacity but the permanent impairment impairs the worker's ability  
19 to work; and

20 (c) has an actual wage loss as a result of the injury.

21 ~~(24)~~(25) "Permanent total disability" means a physical condition resulting from injury as defined in this  
22 chapter, after a worker reaches maximum medical healing, in which a worker does not have a reasonable  
23 prospect of physically performing regular employment. Regular employment means work on a recurring basis  
24 performed for remuneration in a trade, business, profession, or other occupation in this state. Lack of immediate  
25 job openings is not a factor to be considered in determining if a worker is permanently totally disabled.

26 ~~(25)~~(26) The "plant of the employer" includes the place of business of a third person while the employer  
27 has access to or control over the place of business for the purpose of carrying on the employer's usual trade,  
28 business, or occupation.

29 ~~(26)~~(27) "Primary medical services" means treatment prescribed by a treating physician, for conditions  
30 resulting from the injury, necessary for achieving medical stability.



~~(27)~~(28) "Public corporation" means the state or a county, municipal corporation, school district, city, city under a commission form of government or special charter, town, or village.

~~(28)~~(29) "Reasonably safe place to work" means that the place of employment has been made as free from danger to the life or safety of the employee as the nature of the employment will reasonably permit.

~~(29)~~(30) "Reasonably safe tools and appliances" are tools and appliances that are adapted to and that are reasonably safe for use for the particular purpose for which they are furnished.

~~(30)~~(31) (a) "Secondary medical services" means those medical services or appliances that are considered not medically necessary for medical stability. The services and appliances include but are not limited to spas or hot tubs, work hardening, physical restoration programs and other restoration programs designed to address disability and not impairment, or equipment offered by individuals, clinics, groups, hospitals, or rehabilitation facilities.

(b) (i) As used in this subsection ~~(30)~~ (31), "disability" means a condition in which a worker's ability to engage in gainful employment is diminished as a result of physical restrictions resulting from an injury. The restrictions may be combined with factors, such as the worker's age, education, work history, and other factors that affect the worker's ability to engage in gainful employment.

(ii) Disability does not mean a purely medical condition.

~~(31)~~(32) "Sole proprietor" means the person who has the exclusive legal right or title to or ownership of a business enterprise.

~~(32)~~(33) "Temporary partial disability" means a physical condition resulting from an injury, as defined in 39-71-119, in which a worker, prior to maximum healing:

(a) is temporarily unable to return to the position held at the time of injury because of a medically determined physical restriction;

(b) returns to work in a modified or alternative employment; and

(c) suffers a partial wage loss.

~~(33)~~(34) "Temporary service contractor" means a person, firm, association, partnership, limited liability company, or corporation conducting business that hires its own employees and assigns them to clients to fill a work assignment with a finite ending date to support or supplement the client's workforce in situations resulting from employee absences, skill shortages, seasonal workloads, and special assignments and projects.

~~(34)~~(35) "Temporary total disability" means a physical condition resulting from an injury, as defined in this chapter, that results in total loss of wages and exists until the injured worker reaches maximum medical

1 healing.

2 ~~(35)~~(36) "Temporary worker" means a worker whose services are furnished to another on a part-time  
3 or temporary basis to fill a work assignment with a finite ending date to support or supplement a workforce in  
4 situations resulting from employee absences, skill shortages, seasonal workloads, and special assignments and  
5 projects.

6 ~~(36)~~(37) "Treating physician" means a person who is primarily responsible for the treatment of a worker's  
7 compensable injury and is:

8 (a) a physician licensed by the state of Montana under Title 37, chapter 3, and has admitting privileges  
9 to practice in one or more hospitals, if any, in the area where the physician is located;

10 (b) a chiropractor licensed by the state of Montana under Title 37, chapter 12;

11 (c) a physician assistant-certified licensed by the state of Montana under Title 37, chapter 20, if there  
12 is not a treating physician, as provided for in subsection ~~(36)(a)~~ (37)(a), in the area where the physician  
13 assistant-certified is located;

14 (d) an osteopath licensed by the state of Montana under Title 37, chapter 3;

15 (e) a dentist licensed by the state of Montana under Title 37, chapter 4;

16 (f) for a claimant residing out of state or upon approval of the insurer, a treating physician defined in  
17 subsections ~~(36)(a)~~ (37)(a) through ~~(36)(e)~~ (37)(e) who is licensed or certified in another state; or

18 (g) an advanced practice registered nurse licensed by the state of Montana under Title 37, chapter 8,  
19 recognized by the board of nursing as a nurse practitioner or a clinical nurse specialist, and practicing in  
20 consultation with a physician licensed under Title 37, chapter 3, if there is not a treating physician, as provided  
21 for in subsection ~~(36)(a)~~ (37)(a), in the area in which the advanced practice registered nurse is located.

22 ~~(37)~~(38) "Work-based learning activities" means job training and work experience conducted on the  
23 premises of a business partner as a component of school-based learning activities authorized by an elementary,  
24 secondary, or postsecondary educational institution.

25 ~~(38)~~(39) "Year", unless otherwise specified, means calendar year."

26  
27 **Section 4.** Section 39-71-225, MCA, is amended to read:

28 **"39-71-225. Workers' compensation database system.** (1) The department shall develop a workers'  
29 compensation database system to generate management information about Montana's workers' compensation  
30 system. The database system must be used to collect and compile information from insurers, employers,

1 medical providers, claimants, ~~adjusters~~ claims examiners, rehabilitation providers, and the legal profession.

2 (2) Data collected must be used to provide:

3 (a) management information to the legislative and executive branches for the purpose of making policy  
4 and management decisions, including but not limited to:

5 (i) performance information to enable the state to enact remedial efforts to ensure quality, control abuse,  
6 and enhance cost control;

7 (ii) information on medical, indemnity, and rehabilitation costs, utilization, and trends;

8 (iii) information on litigation and attorney involvement for the purpose of identifying trends, problem  
9 areas, and the costs of legal involvement;

10 (b) current and prior claim information to any insurer that is at risk on a claim, or that is alleged to be  
11 at risk in any administrative or judicial proceeding, to determine claims liability or for fraud investigation. The  
12 department may release information only upon written request by the insurer and may disclose only the  
13 claimant's name, claimant's identification number, prior claim number, date of injury, body part involved, and  
14 name and address of the insurer and ~~claim adjuster~~ claims examiner on each claim filed. Information obtained  
15 by an insurer pursuant to this section must remain confidential and may not be disclosed to a third party except  
16 to the extent necessary for determining claim liability or for fraud investigation; and

17 (c) current and prior claim information to law enforcement agencies for purposes of fraud investigation  
18 or prosecution.

19 (3) The department is authorized to collect from insurers, employers, medical providers, the legal  
20 profession, and others the information necessary to generate the workers' compensation database system.

21 (4) The workers' compensation database system must be designed in accordance with the following  
22 principles:

23 (a) avoidance of duplication and inconsistency;

24 (b) reasonable availability of data elements;

25 (c) value of information collected to be commensurate with the cost of retrieving the collected  
26 information;

27 (d) uniformity to permit efficiency of collection and to allow interstate comparisons;

28 (e) a workable mechanism to ensure the accuracy of the data collected and to protect the confidentiality  
29 of collected data;

30 (f) reasonable availability of the data at a fair cost to the user;

- 1 (g) a broad application to plan No. 1, plan No. 2, and plan No. 3 insurers;
- 2 (h) compatibility with electronic data reporting;
- 3 (i) reporting procedures that can be handled through private data collection systems that adhere to the
- 4 provisions of subsections (4)(a) through (4)(h);
- 5 (j) implementation of reporting requirements that allow reasonable lead time for compliance.
- 6 (5) The department shall publish an annual report on the information compiled.
- 7 (6) Users of information obtained from the workers' compensation database under this section are liable
- 8 for damages arising from misuse or unlawful dissemination of database information.
- 9 (7) ~~Beginning July 1, 2000, an~~ An insurer or a third-party administrator who submitted 50 or more "first
- 10 reports of injury" to the department in the preceding calendar year shall electronically submit the reports and any
- 11 other reports related to the reported claims in a nationally recognized format specified by department rule.
- 12 (8) The department may adopt rules to implement this section."
- 13

14 **Section 5.** Section 39-71-307, MCA, is amended to read:

15 **"39-71-307. Employers and insurers to file reports of accidents -- penalty.** (1) Every employer and

16 every insurer is required to file with the department, under department rules, a full and complete report of every

17 accident to an employee arising out of or in the course of employment and resulting in loss of life or injury to the

18 employee. The reports must be furnished to the department in the form and detail as the department prescribes

19 and must provide specific answers to all questions required by the department under its rules. However, if an

20 employer is unable to answer a question, the employer shall state the reason for the employer's inability to

21 answer.

22 (2) Every insurer transacting business under this chapter shall, at the time and in the manner prescribed

23 by the department, make and file with the department the reports of accidents as the department requires.

24 (3) An employer, insurer, or ~~adjuster~~ claims examiner who refuses or neglects to submit to the

25 department reports necessary for the proper filing and review of a claim, as provided in subsection (1), shall be

26 assessed a penalty of not less than \$200 or more than \$500 for each offense. The department shall assess and

27 collect the penalty. An insurer may contest a penalty assessment in a hearing conducted according to

28 department rules."

29

30 **Section 6.** Section 39-72-102, MCA, is amended to read:

1           **"39-72-102. Definitions.** As used in this chapter, unless the context requires otherwise, the following  
2 definitions apply:

3           (1) "Beneficiary" is as defined in 39-71-116.

4           (2) "Child" is as defined in 39-71-116.

5           (3) "Claims examiner" is as defined in 39-71-116.

6           ~~(3)~~(4) "Department" means the department of labor and industry.

7           ~~(4)~~(5) "Disablement" means the event of becoming physically incapacitated by reason of an  
8 occupational disease from performing work in the worker's job pool. Silicosis, when complicated by active  
9 pulmonary tuberculosis, is presumed to be total disablement. "Disability", "total disability", and "totally disabled"  
10 are synonymous with "disablement", but they have no reference to "permanent partial disability".

11          ~~(5)~~(6) "Employee" is as defined in 39-71-118.

12          ~~(6)~~(7) "Employer" is as defined in 39-71-117.

13          ~~(7)~~(8) "Independent contractor" is as defined in 39-71-120.

14          ~~(8)~~(9) "Insurer" is as defined in 39-71-116.

15          ~~(9)~~(10) "Invalid" is as defined in 39-71-116.

16          ~~(10)~~(11) "Occupational disease" means harm, damage, or death as set forth in 39-71-119(1) arising out  
17 of or contracted in the course and scope of employment and caused by events occurring on more than a single  
18 day or work shift. The term does not include a physical or mental condition arising from emotional or mental  
19 stress or from a nonphysical stimulus or activity.

20          ~~(11)~~(12) "Order" is as defined in 39-71-116.

21          ~~(12)~~(13) "Pneumoconiosis" means a chronic dust disease of the lungs arising out of employment in coal  
22 mines and includes anthracosis, coal workers' pneumoconiosis, silicosis, or anthracosilicosis arising out of such  
23 employment.

24          ~~(13)~~(14) "Silicosis" means a chronic disease of the lungs caused by the prolonged inhalation of silicon  
25 dioxide (SiO<sub>2</sub>) and characterized by small discrete nodules of fibrous tissue similarly disseminated throughout  
26 both lungs, causing the characteristic x-ray pattern, and by other variable clinical manifestations.

27          ~~(14)~~(15) "Wages" is as defined in 39-71-123.

28          ~~(15)~~(16) "Year" is as defined in 39-71-116."

29  
30          NEW SECTION. **Section 7. Effective date.** [This act] is effective on passage and approval.

31                               - END -